

September 18, 2003

The Honorable Lynn O'Malley Taylor
Marin County Superior Court
P. O. Box 4988
San Rafael CA 94913-4988

Dear Honorable Judge Taylor:

The Larkspur City Council appreciates the work of the Grand Jury members on this report regarding financing affordable housing.

As required by Sections 933 (c), 933.05 (a) and 933.05 (b) of the California Penal Code, this letter acknowledges receipt of and responds to the 2003 Marin County Grand Jury Report, "Financing Affordable Housing: Local In-Lieu Fees and Set-aside Funds". The Larkspur City Council has been requested to respond to all findings and all recommendations. The responses requested are listed below.

Finding No. 1 Jurisdictions with little, if any, development generate minimal in-lieu fees.

We agree with this finding. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 2 A number of jurisdictions have not established redevelopment agencies and therefore do not collect set-asides.

We agree with this finding. The City of Larkspur created a Redevelopment Agency in 1972, but never formed the district for the purposes of creating tax increment. Larkspur recently used its Redevelopment Agency status for the first time to create a Community Facilities District for a single purpose project financing. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 3 Small amounts of in-lieu fees, held in special accounts in some jurisdictions in the county, are not large enough to be particularly useful in promoting that jurisdiction's affordable housing goals.

We agree with this finding. The City of Larkspur does not collect in-lieu fees so finds it difficult to comment on this kind of statement. In addition, The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 4 Redevelopment agencies established by larger jurisdictions may generate substantial set-aside funds. These funds can be used effectively to provide affordable housing in those jurisdictions.

We agree with this finding. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 5 The Town of Corte Madera's nonresidential development impact fee is an innovative way to raise funds for affordable housing from commercial developers.

We agree with this finding. The City of Larkspur cannot comment upon whether or not the finding is applicable to other agencies.

Finding No. 6 Several jurisdictions are finding creative uses for their in-lieu fees and set-asides, thereby maximizing the effectiveness of these funds in creating affordable housing.

We agree with this finding. However, since Larkspur does not collect in-lieu fees or set asides, we can only assume that the Grand Jury made this finding on the basis of its research and from data collected from the agencies that collect such fees and set-asides. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 7 ABAG treats each jurisdiction as a stand-alone entity as required by state law.

We agree with this finding. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 8 There is no formal countywide mechanism for treating the affordable housing problem.

We agree with this finding. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 9 The recently developed Marin Housing Workbook can be an important tool in creating affordable housing particularly since it urges the full inclusion of all housing providers: public, private and non-profit.

We agree with this finding. The City of Larkspur cannot comment upon the finding related to other agencies.

Finding No. 10 Local affordable housing information is not easily accessible to the general public.

We disagree with this finding. Almost every affordable housing complex or organization has a waiting list for available housing. While some information could be more readily available, many people who have an interest in affordable housing appear to have been able to access what they need. All of Larkspur's evaluations of affordable housing projects have been conducted at noticed public meetings and at public hearings. The City of Larkspur cannot comment upon the finding related to other agencies.

Recommendation No. 1 The Board of Supervisors should request that ABAG and/or the California Department of Housing and Community Development treat the County of Marin as a single housing market unit for purposes of establishing affordable housing goals.

Recommendation No. 1 will not be implemented. The local governments in Marin contacted the Housing and Community Development (HCD) Department a few years ago when the affordable goals were being established. There was no interest at that time in regionalizing the housing goals. To the best of our knowledge, the State has not changed its position.

Recommendation No. 2 The Board of Supervisors and the cities and towns should establish an appropriate mechanism for the coordination of all affordable housing activities in the County.

Recommendation No. 2 will require further analysis. It might be desirable to establish such coordination, but in the present economic environment the cost and logistics of such a project may be prohibitive. The City of Larkspur cannot comment upon the recommendation related to other agencies.

Recommendation No. 3 The intra-county governmental cooperation, which was basic to the development of the Marin Housing Workbook (February 2002) should be used as a foundation for ongoing implementation of the recommendations contained herein.

Recommendation No. 3 will require further analysis. The purpose of the Marin Housing Workbook was, in part, to assist us with complying with HCD for the purpose of meeting goals established by the State of California. Some elements of the Workbook could be used for future programs and activities.

Recommendation No. 4 The Board of Supervisors should support and cooperate with the various nonprofit housing agencies and developers within the County by including them in the implementation of the countywide housing programs.

Recommendation No. 4 will not be implemented by the City of Larkspur, as the suggested action items are directed to the County of Marin. The City of Larkspur cannot comment upon the recommendation related to other agencies.

Recommendation No. 5 All local governmental agencies should assure that their housing programs and funding are fully disclosed to the public.

Recommendation No. 5 has been implemented. The City of Larkspur has always fully disclosed information about our housing programs and funding to the public, and will continue to do so in the future.

Respectfully submitted,

Jean A. Bonander
City Manager
On behalf of the Larkspur City Council